

EXHIBIT A

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X
**BRIAN WOLOSHIN, on behalf of himself
and all others similarly situated**

Plaintiff,

-against-

AETNA LIFE INSURANCE COMPANY,

Defendant.
-----X

Case No. 07 CV 6664 (KMK)

ECF CASE

Judge Karas

AFFIDAVIT OF KIMBERLY SHEPHARD

I, Kimberly Shephard, having duly been sworn, do hereby depose and state that:

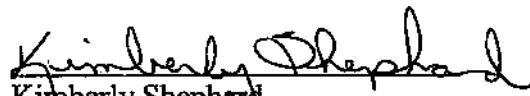
1. I am over the age of eighteen and understand the obligations of an oath.
2. I make this affidavit based on personal knowledge.
3. I worked for Aetna Life Insurance Company ("Aetna") from July 24, 1979 to January, 2003, and again from July 2003 to the present. In 2004, I worked as a benefits consultant in Aetna's Fresno, California office, and drafted policies for Aetna's policyholders. In that capacity, I put together the policies, Booklet Certificates and Summaries of Coverage based upon the agreements between Aetna and its policyholders.
4. Attached herewith as Exhibit 1 is a true and accurate copy of the Group Life and Accident Insurance Policy ("Group Policy") between Aetna and Memec, LLC ("Memec"), policy number GP-701176-A, with an effective date of July 1, 2004. I was the drafter of the Group Policy and accompanying Booklet Certificate and Summary of Coverage.

5. A Group Policy identifies all of the fully insured benefits that Aetna administers for its policyholders, which typically include life, health and long and short-term disability policies. All of the benefits provided by Aetna to Memec are identified on page 9010 (the third page) of the Memec Group Policy, Exhibit 1.

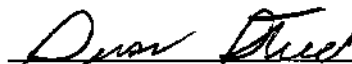
6. The first page of the Group Policy indicates that the Policy was delivered in Florida and that "[t]his policy will be construed in line with the law of the jurisdiction in which it is delivered."

7. Attached herewith as Exhibit 2 is a true and accurate copy of the Memec Booklet Certificate (Cert. Base 8), with two amending riders (Rider 17 and Rider 18).

8. Attached herewith as Exhibit 3 is a true and accurate copy of the Memec Summary of Coverage.


Kimberly Shephard

Subscribed and sworn to before me this 25th day of February, 2008.


Notary Public/Commissioner of the Superior Court
My Commission Expires: April 23, 2008

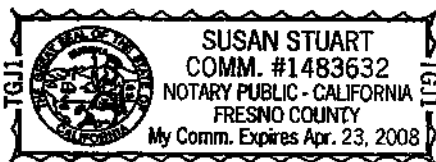


EXHIBIT 1



Policyholder No. 701176

Group Accident and Health Insurance Policy

a contract between

Aetna Life Insurance Company

(A Stock Company herein called Aetna)

and

Memec, LLC

(Policyholder)

Policy Number:	GP-701176-A
Date of issue:	October 28, 2004
To take effect:	July 1, 2004
Policy delivered in:	Florida

This policy will be construed in line with the law of the jurisdiction in which it is delivered.

Based on timely premium payments by the Policyholder, Aetna agrees with the Policyholder, to pay benefits in line with the policy terms.

The duties and the rights of all persons will be based solely on policy terms. This policy is non-participating.

Signed at Aetna's Home Office in Hartford, Connecticut on the date of issue.

A handwritten signature in cursive script that reads "Ronald H. Williams".

President

Registrar

GR-29
ED. 8-87

Aetna Life Insurance Company
151 Farmington Avenue
Hartford, Connecticut 06156
860-273-0123

Face Page
F206757

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Policy Contents

Part I

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Policy Contents

This policy consists of:

The Face Page, Index, this Policy Contents page, and all the provisions of Parts I and II; and

The provisions found in the Certificate(s) listed in this section.

The words "you" or "your" in any Certificate included in this policy, will refer to a covered Employee.

The Certificate(s) included in this policy are as follows:

A "Certificate" consists of a Certificate Base document ("Cert. Base") and any Summary of Coverage ("SOC") or Certificate Rider ("Rider") which may be issued to support or amend the Cert. Base.

Identification	Issue Date	Effective Date
Cert. Base: 7	October 28, 2004	July 1, 2004-TDI
SOC: 7A	October 28, 2004	July 1, 2004
Cert. Base: 8	October 28, 2004	July 1, 2004-LTD
SOC: 8A	October 28, 2004	July 1, 2004
Rider: 15	October 28, 2004	July 1, 2004-AAW-Life
Rider: 16	October 28, 2004	July 1, 2004-AAW-TDI
Rider: 17	October 28, 2004	July 1, 2004-AAW-LTDc

Part I

Eligible Classes

All classes of employees of a Member Employer are eligible except those who are:

Part-time;

Temporary;

Substitute; or

In a class for which a Certificate is not in this policy.

An employee is eligible only for the coverages shown in the Certificate which applies to his class.

If a Member Employer is a partnership or proprietorship, each of its natural-person partners, or the proprietor, will be deemed to be an employee. This applies only if the person is working on a mostly full-time basis for the Employer.

Change In Amounts

**Employee Coverage
(Contributory) (This
section does not apply to
Long Term Disability
Coverage or Managed
Disability Coverage)**

Earnings or Status Change

If, at any time, the employee's rate of earnings or status changes so as to warrant an amount of contributory coverage other than that for which the employee is then covered, the amount of his or her coverage will be changed as follows:

A reduction will be effective:

On the date the employee requests it under Life Insurance and Accidental Death and Personal Loss Coverage.

On the date of the earnings or status change under all other coverages.

An increase will be effective on the date of the earnings or status change. For any coverage other than Health Expense Coverage, the Active Work Rule must be met. The employee may refuse an increase in Life Insurance or Accidental Death and Personal Loss Coverage. This must be done within 31 days of the date it would have taken effect. If refused, no other increase because of the earnings or status change will be made until the date Aetna gives written consent.

Schedule or Benefit Level Change

If, at any time, any schedule or the level of any benefit is changed so as to warrant an amount of contributory coverage other than that for which the employee is then covered, the amount of coverage will be changed to the new amount. For any coverage other than Health Coverage, an increase will be subject to the Active Work Rule.

The employee may refuse an increase in Life Insurance and Accidental Death and Personal Loss Coverage. This must be done within 31 days of the date it would have taken effect. If the employee later elects the increase, it will be made on the date Aetna gives written consent.

Change In Amounts (Continued)

Employee Coverage (Contributory) (Continued)

All Changes

A retroactive change in an employee's rate of earnings or status will not result in a retroactive change in coverage. Any change in coverage will be effective on the date the change in earnings or status is made.

This section will not apply to reductions due to reaching a stated age or due to retirement.

Employee Coverage (Non-Contributory) (This section does not apply to Long Term Disability Coverage or Managed Disability Coverage)

Earnings, Status, Schedule, or Benefit Level Change

If, for any reason and at any time, the employee's rate of earnings, or the employee's status, or any schedule, or the level of any benefit is changed so as to warrant an amount of non-contributory coverage other than that for which the employee is then covered, the amount of his or her coverage will be changed to the new amount. For any coverage other than Health Expense Coverage, an increase will be subject to the Active Work Rule.

A retroactive change in an employee's rate of earnings or status will not result in a retroactive change in coverage. Any change in coverage will be effective on the date the change in earnings or status is made.

This section will not apply to any reductions due to reaching a stated age or due to retirement.

Other Changes

Employee Coverage

Addition or Deletion of a Benefit

Except as set forth in the next paragraph, if any benefit becomes applicable to an employee who is already covered under the policy, that employee will be eligible for that benefit right away. Coverage will be effective in line with the Eligibility provisions as described elsewhere in this policy. For any coverage other than Health Expense Coverage, this includes the Active Work Rule.

If any benefit no longer applies to an employee, coverage for that benefit will stop right away for that employee.

Change in Eligibility Date

An increase in any required period of service will apply only to an employee who enters service on or after the effective date of the increase. A decrease in any required period of service will permit an employee to become eligible on the effective date of the decrease if he or she then has worked the new period of service. Otherwise he or she is eligible on the date he or she completes it.

Change in Age Reduction Rule

If an Age Reduction Rule is changed and an employee is eligible for an increase in coverage due to such change, such increase shall be effective only if Aetna gives its written consent.

Special Provisions

Active Work Rule

This Active Work Rule does not apply to any Health Expense Coverage.

If the employee is ill or injured and away from work on the date any of his or her Employee Coverage (or any increase in such coverage) would become effective, the effective date of coverage (or increase) will be held up until the date he or she goes back to work for one full day.

Special Provisions (Continued)

Other Long Term Disability Insurance

If there is other group long term disability insurance:

under which benefits are payable for the same period of disability; and

which contains the same or similar provisions for reduction in benefits payable because of other income benefits;

the long term disability part of this contract will be liable only for a pro rata share of the total benefits payable.

"Pro rata share" means the result of the following:

the amount payable under this contract in the absence of other group long term disability insurance benefits and before any reduction in benefits payable due to other income benefits; divided by:

the total amount payable under all group long term disability insurance plans before any reduction in benefits payable due to other income benefits; times

the benefit payable under this contract after reduction by all other income benefits except any amount payable under another group long term disability insurance plan.

Special Provisions (Continued)

Effect of Prior Coverage - Transferred Business

If the coverage of any family member under one or more benefit sections replaces any prior coverage in effect for the member, the rules below will apply.

"Prior Coverage" is any plan of group accident and health benefits coverage carried or sponsored by a Member Employer or its predecessor. It was provided by any carrier other than Aetna (i.e., transferred business). It has been replaced as a whole or in part, as to the class of employees of which the employee is a member, by coverage under one or more benefit sections of this policy. Any such plan shall be "prior coverage" whether provided by group insurance or by any other arrangement of group coverage.

A "like benefit" of the prior coverage means:

As to any Accidental Death and Personal Loss Coverage: Any benefit payable under any prior group accident plan for accidental loss of life, limb, or sight.

As to any Temporary Disability Benefit Coverage: Any benefit payable under any prior group temporary disability plan for loss of time from work.

As to any other benefit section: Any benefit payable under any prior group medical, dental, or other health plan for medical or dental treatment.

As to any Major Medical, Comprehensive Medical, or Comprehensive Dental Expense Benefits:

If part or all of a covered family member's Deductible, under any section of his or her prior coverage that provides one or more of these benefits, has been applied against covered expenses incurred by him or her during the 90 day period right before the date his or her coverage goes into effect, his or her Deductible under any Major Medical, Comprehensive Medical, or Comprehensive Dental Expense Benefits for the calendar year in which he or she becomes covered will be reduced by the amount so applied.

If such benefit has a Personal Payment Limit or a Family Payment Limit and any section of the prior coverage had a similar limit and any expenses were applied against those similar limits during the calendar year in which the family member's coverage goes into effect, the Personal Payment Limit and the Family Payment Limit under any Major Medical, Comprehensive Medical, or Comprehensive Dental Expense Benefits for the calendar year in which he or she becomes covered will be reduced by the amount so applied.

Special Provisions (Continued)

Effect of Prior Coverage - Transferred Business (Continued)

If the family member had, during the calendar year in which his or her coverage goes into effect, reached any Personal Payment Limit or Family Payment Limit under the prior coverage, any higher limits under this policy will not apply to the family member until the calendar year following the calendar year in which his or her coverage goes into effect.

Special Provisions (Continued)

Effect of Prior Coverage - Transferred Business (Continued)

Any applicable Active Work Rule will be waived on the day right after the date the employee's coverage under the prior coverage terminated.

Any Employee Coverage or Dependent Coverage which becomes effective under the terms of this section will not be in effect and benefits will not be available as to a disease or injury for which benefits:

are available; or

would be available in the absence of coverage under this policy;

under any extension of benefits provision of the prior coverage until the end of the period for which such benefits:

are available; or

would be available in the absence of any coverage under this policy;

under such extension of benefits.

As to each family member to whom the 2 prior paragraphs apply:

An employee shall not be covered for any Accidental Death and Personal Loss Coverage or any Temporary Disability Benefit Coverage unless he or she was covered for a like benefit under the prior coverage on the day before the date the terms of the second preceding paragraph took effect for him or her. If he or she is covered, the amount of Principal Sum and the Weekly Benefit shall be the amount in force for him or her under the like benefit on that date. The Maximum Period of Payment will be the period in effect for him or her under the like benefit on that date.

Special Provisions (Continued)

Effect of Prior Coverage - Transferred Business (Continued)

No benefits will be payable under this policy with respect to any expenses which are covered in whole or in part under any extension of benefits under the prior coverage because of total disability.

The Policyholder will be liable for the premium required by Aetna for the terms of this provision to apply to the covered family member.

Coverage under this provision will continue only for the period of time agreed to by Aetna and the Policyholder.

This provision will terminate as to an employee if:

his or her coverage terminates; or

he or she meets any applicable Active Work Rule.

If he or she stays insured or again becomes eligible, this policy will apply to him or her as though this provision were not included.

Part II

Policyholder and Insurance Company Matters

Declarations

The first "policy month" starts on July 1, 2004.
Each subsequent policy month starts on the first day
of a calendar month.

The first "policy year" starts on July 1, 2004
and ends on June 30, 2006/
Each subsequent policy year starts on a July 1
It ends on a June 30.

The most that an employee may pay
for his contributory Employee
Life Insurance Coverage,
if any, is .60 monthly per
\$ 1,000 of his Employee Coverage

Member Employers

Member Employers are those employers which are included under this policy by written
agreement between the Policyholder and Aetna.

An employer may be a Member Employer if not against the law of the jurisdiction in
which this policy is delivered.

The Policyholder may act for all Member Employers in all policy matters. Each such act,
or agreement made between Aetna and the Policyholder, or notice given by one to the
other will be binding on all the Employers.

Data Required

The Policyholder and each Member Employer must give Aetna all data required as to
policy matters. All data which may have a bearing on insurance or premiums will be
open for Aetna to inspect while this policy is in force. Also, they must be open until the
final rights and duties under this policy have been resolved.

Policyholder and Insurance Company Matters (Continued)

Clerical Error

A clerical error in keeping records; or a delay in making an entry; will not alone decide if insurance is valid. An equitable adjustment in premiums will be made when the error or delay is found. If the clerical error affects:

the existence; or

amount;

of insurance, the facts as determined by Aetna will be used to decide if insurance is in force and its amount.

Misstatements

If any fact as to a person to whom the insurance relates is found to have been misstated, a fair change in premiums will be made. If the misstatement affects the existence or amount of insurance, the true facts will be used to decide if insurance is in force and its amount.

Policyholder and Insurance Company Matters (Continued)

Duties of the Policyholder

The Policyholder and each Member Employer must give Aetna such information as Aetna may reasonably require to administer this policy and must agree to:

Maintain a reasonably complete record of such information in electronic or hard copy format, including but not limited to:

evidence of eligibility;

changes to such elections; and

terminations;

for at least seven years or until the final rights and duties under this policy have been resolved; and to make such information available to Aetna upon request.

Obtain from:

the Policyholder; and

each Member Employer.

a "Disclosure of Healthcare Information" authorization in the form currently being used by Aetna in the enrollment process; or such other form as Aetna may reasonably approve.

The information shall be provided when requested:

on Aetna forms; or

such other forms as Aetna may approve.

All data which may have a bearing on insurance or premiums will be open for Aetna to inspect while this policy is in force.

The Policyholder must notify employees of the termination of the policy in compliance with all applicable laws. However, Aetna reserves the right to notify employees of termination of the policy for any reason, including non-payment of premium. The Policyholder shall provide written notice to employees of their rights upon termination of coverage.

The Policyholder must:

notify all eligible employees of their right to continue coverage under COBRA and any applicable state law; and

provide notification to each employee within 15 days after termination of coverage, of their conversion right, including:

a description of plans available;

premium rates;

and application forms.

Policyholder and Insurance Company Matters (Continued)

Non-Discrimination

In the management of this policy, the Policyholder and the Member Employers:

will make no attempt, whether through differential contributions or otherwise, to encourage or discourage enrollment in the coverages provided by the policy based on health status or risk.

will act so as not to discriminate unfairly between persons in like situations at the time of the action.

Aetna can rely on such action. It will not have to probe into the details.

Certificates

Aetna will provide the Policyholder with either a supply of paper copies or electronic certificates. The Policyholder shall distribute or otherwise make the certificates available to each insured employee. The insurance in force will be set forth. Statements as to whom benefits are payable will appear. Any applicable Conversion Privilege will also be described.

Policy Changes

This policy may be amended by Aetna:

with 30 days written notice to the Policyholder; or

by written agreement between Aetna and the Policyholder.

The consent of any employee or other person is not needed. All agreements made by Aetna are signed by one of its executive officers. No other person can change or waive any of the policy terms or make any agreement binding Aetna. The Policyholder will not have to give written agreement of a change in the policy if:

- The Policyholder has asked for the change and Aetna has agreed to it.
- The change is needed to correct an error in the policy, including any certificate issued to anyone.
- The change is needed so that the policy will conform to any law, regulation or ruling of:

a jurisdiction that affects a person covered under this policy; or

the federal government.

- The change has been initiated by Aetna and is not resulting in either:

a reduction or elimination in benefits or coverage; or

an increase in premium.

Policyholder and Insurance Company Matters (Continued)

Policy Changes (Continued)

The Policyholder will have to give written agreement of a change in the policy:

that reduces or eliminates benefits or coverage; or

that increases benefits or coverage with a concurrent increase in premium during the policy term, except if the increased benefits or coverage is required by law.

Payment of the applicable premium after notice of the proposed changes will be deemed to constitute the Policyholder's written agreement of those changes on behalf of all persons covered under this policy.

This policy shall be deemed to be automatically amended to conform with the provisions of applicable laws and regulations. This policy may also be amended by Aetna:

with 30 days written notice to the Policyholder; or

by written agreement between Aetna and the Policyholder.

The consent of any employee or other person is not needed. All agreements made by Aetna are signed by one of its executive officers. No other person can change or waive any of the policy terms or make any agreement binding Aetna.

Policyholder and Insurance Company Matters (Continued)

Contract

This policy and application of the Policyholder are the entire contract. A copy of the application is attached. All statements made by the Policyholder or an employee shall be deemed representations and not warranties. No written statement made by an employee shall be used by Aetna in a contest unless:

a copy of the statement is; or
has been furnished to:
the employee; or
his beneficiary; or
the person making the claim.

Aetna's failure to implement or insist upon compliance with any provision of this policy at any given time or times, shall not constitute a waiver of Aetna's right to implement; or insist upon compliance with that provision at any other time or times. This includes, but is not limited to, the payment of premiums. This applies whether or not the circumstances are the same.

Accident and Health Coverage Statements

Except as to a fraudulent misstatement or issues concerning premiums due:

No statement made by the Policyholder or an employee shall be the basis for:

voiding coverage; or
denying coverage; or
be used in defense of a claim;
unless it is in writing.

No statement made by the Policyholder shall be used to void this policy after it has been in force for 2 years.

No statement made by an eligible employee shall be used in defense to a claim for loss incurred or starting after coverage as to which claim is made has been in effect for 2 years.

Policyholder and Insurance Company Matters (Continued)

Premium Rates (Continued)

Other Accident and Health Benefits

The premium rates for accident and health coverage are as follows. The premium rates are for a period of one month.

The current premium rates for all of the Accident and Health Coverages provided under this policy are on record with both Aetna and the Policyholder.

Temporary Disability Benefits -

premium per \$ 10.00 of Weekly Benefit: \$.560

Long Term Disability Benefits -

premium per \$ 100 of Covered Monthly Payroll: \$ 0.50

Policyholder and Insurance Company Matters (Continued)

Premium Rates (Continued)

Other Accident and Health Benefits (Continued)

Each premium due will be figured by obtaining the product of:

One hundredth of the amount of monthly benefit in force; and

The average rate per \$100 of monthly benefit as determined below.

On the date that the Long Term Disability Benefits section takes effect, the average rate per \$100 of monthly benefit will be figured by dividing the first item below by the second item below:

The sum of the individual premiums for the employees then insured, according to the table of monthly rates per \$100 of monthly benefit. This is based on their ages (nearest birthday) and respective amounts of monthly benefit.

One hundredth of the approximate total amount of monthly benefits in force.

Policyholder and Insurance Company Matters (Continued)

Premiums Due - Experience Rating

The premium due under this policy on any premium due date will be the sum of the premium charges for the coverages then provided under this policy.

If premiums are payable monthly, any insurance becoming effective will be charged for from the first day of the policy month on or right after the date the insurance takes effect. Premium charges for insurance which ceases will cease as of the first day of the policy month on; or right after the date the insurance terminates. If premiums are payable less often than monthly, premium charges or credits for a fraction of a premium-paying period will be made on a pro rata basis for the number of policy months between:

the date premium charges start or cease; and

the end of the premium-paying period.

If this policy is changed to provide more coverage to take effect on a date other than the first day of a premium-paying period, a pro rata premium for the coverage will be due and payable on that date. It will cover the period then starting and ending right before the start of the next premium-paying period.

The premium charges will be figured at the premium rates shown before. Aetna may change them due to:

Experience; or

a change in factors bearing on the risk assumed.

Each change shall be made by written notice to the Policyholder by Aetna.

No experience reduction or increase in premium rates shall become effective less than 12 months after the effective date of the group policy unless there is:

a significant change in factors bearing a material impact on the risk assumed by Aetna;
or

changes in applicable state or federal:

law;

policy;

regulation; or

a judicial decision;

Policyholder and Insurance Company Matters (Continued)

Premiums Due - Experience Rating (Continued)

having a material impact on the cost of providing the coverages then provided under this group policy. As used here, "group policy" shall be deemed to include any group policy previously issued by Aetna that has been replaced in whole or in part by this policy.

The Long Term and Managed Disability Coverage sections of this policy set forth the way in which the premium rates for such coverages will be figured. The premium charges for any other coverage under this policy may be refigured, as of a premium due date, only:

By reason of a change in factors bearing on the risk assumed. This must be requested by Aetna.

Once during any continuous 12 month period. The Policyholder must request this. 60 days advance notice has to be given to Aetna.

They will be refigured using:

The ages of the employees;

The amounts of insurance in force;

The premium rates; and

Any other pertinent factors.

All facts will be taken into account as of the date of the refiguring.

Policyholder and Insurance Company Matters (Continued)

Premiums Due - Experience Rating (Continued)

At the end of a policy year, Aetna may declare an experience credit. The amount of each credit Aetna declares will be returned to the Policyholder. Upon request by the Policyholder, part or all of it will be applied against the payment of premiums or in any other manner as may be agreed to by the Policyholder and Aetna.

If the sum of employee contributions which have been made for group insurance exceeds the sum of premiums which have been paid for group insurance (after giving effect to any experience credits), the excess will be applied by the Policyholder for the sole benefit of employees. Aetna will not have to see to the use of such excess.

Instead of figuring premiums as described above, premiums may be figured in any way approved by Aetna that comes up with about the same amount of premiums.

Aetna will not have to refund any premium for a period prior to:

The first day of the policy year in which Aetna receives proof that the refund should be made; or

The date 3 months before Aetna receives proof, if this produces a larger refund.

This applies even if the premium was paid in error.

Payment of Premiums and Fees

The Policyholder will pay premiums and fees in advance. They may be paid at Aetna's Home Office or to its authorized agent.

A premium is due to be paid on the first day of each policy month.

The Policyholder may change the number of premium payments as of a premium due date. This needs Aetna's written consent.

Aetna may accept a partial payment of premium without waiving its right to collect the entire amount due.

If the premiums and any fees are not paid by the Premium Due Date and before the end of the Grace Period, this policy will automatically terminate when the Grace Period ends. Aetna will require the Policyholder to pay interest on the total premium amount and any fees overdue after the Premium Due Date including the premiums due for the Grace Period. The interest rate will be 1 1/2% per month for each:

Policyholder and Insurance Company Matters (Continued)

Premiums Due - Experience Rating (Continued)

Payment of Premiums and Fees (Continued)

month; or

partial month;

the balance remains unpaid. Aetna may recover from the Policyholder:

costs of collecting any unpaid premiums or fees; including reasonable attorney's fees;
and

costs of suit.

As to any Long Term Disability Benefits Coverage and Managed Disability Benefits Coverage under this policy for an employee, premium payments shall not be required on any premium due date during a period for which the employee is entitled to receive a benefit under Long Term Disability Benefits Coverage or a Monthly Benefit under Managed Disability Benefits Coverage.

Retroactive Adjustments

Aetna may, at its discretion, make retroactive adjustments to the Policyholder's billings for the termination of employees not posted to previous billings. However, the Policyholder may only receive a maximum of 1 month's credit for employee terminations that occurred more than 30 days before the date the Policyholder notified Aetna of the termination. Aetna may reduce any such credits by the amount of any payments Aetna may have made on behalf of such employees before Aetna was informed their coverage had been terminated. Retroactive additions will be made at Aetna's discretion based upon eligibility guidelines stated in the certificate, and are subject to the payment of all applicable premiums.

Grace Period

A grace period of 31 days after the due date will be allowed the Policyholder for the payment of each premium and fee. If premiums are not paid by the end of the Grace Period, the policy will automatically terminate at the end of the Grace Period.

Policyholder and Insurance Company Matters (Continued)

Discontinuance of Policy

The Policyholder may terminate this policy as to any or all coverage of all or any class of employees of any one or more Member Employers. A Member Employer may terminate this policy as to any or all coverage of all or any class of its employees. Aetna must be given written notice. The notice must state when such termination shall occur. It must be a date after the notice. It shall not be effective during a period for which a premium has been paid to Aetna as to the coverage.

Aetna may terminate this policy as to any or all coverage, other than Health Expense Coverage, which includes:

Comprehensive Medical Expense Coverage;

Major Medical Expense Coverage;

Prescription Drug Expense Coverage; and

Hospital Expense Benefit;

but does not include:

Comprehensive Dental Expense Coverage; and

Comprehensive Vision Expense Coverage;

of all or any class of employees or dependents of any one or more Member Employers by giving written notice of when it will terminate. The date shall not be earlier than 31 days after the date of the notice unless it is agreed to by the Policyholder and Aetna.

Comprehensive Medical Expense Coverage; Major Medical; Prescription Drug Expense Coverage; Hospital Expense Benefit may be terminated by Aetna as follows:

When the premium for the employees' coverage has not been paid. This right to terminate shall be in accordance with the Grace Period and Payment of Premiums and Fees provisions and is subject to the terms of any laws or regulations.

When the Policyholder ceases to meet the requirements for a group as defined under applicable state law or regulation.

When the Policyholder fails to meet Aetna's contribution or participation requirements. Aetna may request:

Policyholder and Insurance Company Matters (Continued)

Discontinuance of Policy (Continued)

certification of the Policyholder's compliance with Aetna's participation and contribution requirements; and

certification of group status;

prior to renewal. Aetna may exercise its right to non-renew if such certification is not provided.

When the Policyholder fails, without good cause, to perform in good faith its obligations under this policy including an act or practice that constitutes fraud or intentional misrepresentation of a material fact relevant to the coverage provided under this policy.

In accordance with any applicable state or federal law, rule or regulation.

When Aetna decides to discontinue offering:

a particular type of group health expense coverage; or

all its group health expense coverage in the state the policy is issued; provided all group health expense coverages issued or delivered for issuance in such state are discontinued and not renewed.

Except if Aetna discontinues offering a type of group health expense coverage, Aetna will give the Policyholder advance written notice of when it will terminate the policy. The date shall not be earlier than 45 days after the date of the notice unless it is agreed to by the Policyholder and Aetna.

If Aetna discontinues offering a particular type of group health expense coverage, it shall:

provide written notice to each affected employer, (and all covered employees and dependents), of the discontinuance within 90 days before such plans discontinue;

offer each affected employer the option, on a guaranteed issue basis; to purchase any other group health benefit plan currently being offered in that market; and

act uniformly without regard to the claims experience of the affected employers; or any health status-related factor relating to any covered employee or dependent who may become eligible for coverage.

If Aetna discontinues offering all its group health expense coverages, it shall provide written notice to the Florida Department of Insurance and to each affected employer, (and all covered employees and dependents), of the discontinuance at least 180 days before such discontinuance.

Policyholder and Insurance Company Matters (Continued)

Discontinuance of Policy (Continued)

If:

This policy terminates as to any of the employees of a Member Employer; and

Premiums and fees have not been paid for the period this policy; or any coverage included was in force for those employees;

then the Policyholder and the Employer shall be jointly and severally liable to Aetna for the unpaid premiums and fees, including those due for the grace period. Employees shall also remain liable for employee cost sharing and other required contributions to coverage for any period of time the policy is in force during the Grace Period.

Aetna may request from the Policyholder, a written indication of their intention to renew or non-renew a policy at any time during the final three months of any policy year. If the Policyholder fails to reply to such request:

within two weeks of their receipt of the request; or

15 days prior to the renewal date;

whichever is later; then upon Aetna's written 45 day advance termination notice to the Policyholder, all or a part of the policy shall be deemed to terminate automatically as of the end of the policy year. Similarly, upon Aetna's written confirmation to the Policyholder, Aetna may accept an oral indication by:

the Policyholder; or

its agent or broker;

of intent to non-renew as the Policyholder's notice of termination of all or a part of the policy effective as of the end of the policy year.

Aetna may charge the Policyholder a reinstatement fee if any or all coverage is terminated; and later reinstated under this policy.

Policyholder and Insurance Company Matters (Continued)

ERISA Matters

Under Section 503 of Title 1 of the Employee Retirement Income Security Act of 1974, as amended (ERISA), Aetna is a fiduciary. It has complete authority to review all denied claims for benefits under this policy. In exercising such fiduciary responsibility, Aetna shall have discretionary authority to:

determine whether and to what extent employees and beneficiaries are entitled to benefits; and

construe any disputed or doubtful terms of this policy.

Aetna shall be deemed to have properly exercised such authority. It must not abuse its discretion by acting arbitrarily and capriciously. Aetna has the right to adopt reasonable:

policies;

procedures;

rules, and

interpretations;

of this policy to promote orderly and efficient administration.

The Policyholder shall be responsible for making reports and disclosures required by ERISA, including:

the creation;

the distribution; and

the final content of:

summary plan descriptions;

summary of material modifications; and

summary annual reports.